



**Independent Accountants' Report on the Application
of Agreed-Upon Procedures on Indirect Cost Rates
Proposed by the
International Rescue Committee, Inc.**

The Department of State, Office of Inspector General contracted with Leonard G. Birnbaum and Company, LLP, Certified Public Accountants, to perform certain agreed-upon procedures to determine whether the indirect cost and fringe benefit rates proposed by the International Rescue Committee, Inc., for year ended September 30, 2006, complied with applicable regulations.

The independent accountants found the Committee's accounting system to be adequate for accumulating and reporting indirect costs under the provisions of the Office of Management and Budget Circulars A-122, Codified at 2 CFR Part 230, *Cost Principles for Non-Profit Organizations*, and A-110, *Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations*.

The independent accountants' review disclosed that for the year ended September 30, 2006, the Committee had properly calculated and reported its indirect and fringe benefit rates and recommended that the Department accept and finalize the Committee's indirect cost and fringe benefit rates for 2006 as recommended in the report.

Office of Inspector General

The Office of Inspector General conducts independent audits, inspections, and investigations to promote effective management, accountability, and positive change in the Department of State, the Broadcasting Board of Governors, and the foreign affairs community.